

4 MAY 1961

MEMORANDUM FOR: Deputy Director (Plans)

ATTENTION : Chief, Projects and Programs Group, DD/P

SUBJECT : Review of Subsidiary and Proprietary Projects
to Determine the Extent of Compliance with
Administrative Plans and Fiscal Annexes.

1. This memorandum is for your information.

2. One of the general recommendations made by the Inspector General following a study and report on proprietary Project [REDACTED] (19 August 1960) was that:

"The DD/S make a general review of the extent to which current Administrative Plans are being complied with, advising the DD/P of the serious cases of noncompliance so that corrective action can be taken."

3. Such a review was conducted by the Audit Staff and the Office of the Comptroller, and completed on 1 March 1961. The review was limited to an examination of the Administrative Plan or Fiscal Annex of each subsidiary and proprietary project, and a review of audit reports, financial statements and related Headquarters records, to determine if the provisions of the Plan or Annex were being currently complied with. The records relating to [REDACTED] projects were reviewed. Attached as TAB A is a list of the cryptonyms of the projects examined.

4. The records examined indicated that there was general compliance with the provisions of Administrative Plans and Fiscal Annexes except in 17 cases. In these 17 cases inquiry was made of the Divisions or Staffs concerned respecting the follow-up action which is being taken. Attached as TAB B is a list of the 17 cases, together with the comments made by the Audit Staff or Comptroller, as well as the statements made by the Operating Divisions or Staffs concerned respecting the actions which they are taking on these matters.

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5. Appropriate follow-up is continuing to be maintained by the Controller and Audit Staff, as well as the Divisions and Staffs concerned, to insure compliance with the provisions of Administrative Plans and Fiscal Agencies.



Assistant SGA-ED/S

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Attachments:

1. TAB A - List of Subsidy and Proprietary Projects
2. TAB B - List of Administrative Plans and Fiscal Agencies for Follow-Up Action

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